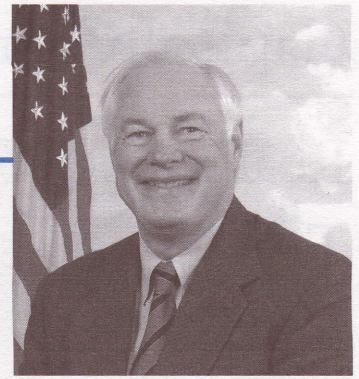


# Congressman Jim Leach

Representing the Second District of Iowa



Spring 2006

**T**here are many national concerns like the budget deficit and foreign policy challenges, principally the war in Iraq, that weigh heavily on Washington today, but little is more important for Congress to address than the ethical standards of those who govern. A corruption cloud hangs over our capital because members of Congress have developed conflicts of interest with unscrupulous lobbyists who have used their access, dollars and positions of influence to distort the legislative process.

Washington is sometimes described as a governmental island, out of touch with mainstream values. The contrast between Congressional ways and Iowa common sense was made particularly evident to me this January when I had the opportunity to spend a month discussing strategic theory and international relations with a class of students at Cornell College.

The drumbeat of negative television news we all see each evening may from time to time seem despairing, but it is hard to be anything except optimistic about the future when working with thoughtful kids studying in a warm Iowa community. Their idealism contrasts sharply with the self-serving cynicism so prevalent in American politics.

Sincerely,

A handwritten signature in black ink, appearing to be "Jim Leach".



## Real Ethics Reform Must Top Congress' Agenda

The Congress faces some of the most troubling scandals of modern times. One incident involves a Member who resigned after pleading guilty to accepting bribes. Another affair involves a bizarre influence peddler who has pleaded guilty and claimed to have influenced Members of Congress with campaign contributions and personal gratuities.

Corruption is endemic in many parts of the world, but it is far rarer in the American system. To protect our democratic system, conflicts of interest cannot be tolerated at any level. That is why the rules that govern the world of politics are so important and why substantial

reform is so necessary.

Too many public officials seem to be undertaking their duties with the attitude of "what's in this for me," instead of approaching their work asking, "how can I best help my country?"

A government of the people, by the people and for the people cannot be a government where influence is purchasable.

The time for change is now. It would be worse to be too timid rather than too bold.

There are five key elements of reform: first, Congress needs to curb the influence of lobbyists by imposing new standards and demanding more disclosure; second, it should cut the wasteful earmarks that bloat the budget;

“A government of the people, by the people and for the people cannot be a government where influence is purchasable. -- Jim Leach”

third, it must reform the ethics committee, adopting an entirely new approach; fourth, Congress must pass Internet gambling reform (see article, page 3); fifth, and most importantly, Congress should transform campaign finance laws by eliminating political action committees.

Today there are some 37,000 registered Washington lobbyists, roughly double the number in 2000. Between 1998 and 2004, the lobbying industry grew from \$1.42 billion to \$2.1 billion.

These vast sums of money distort the process. Too often, lobbyists are successful by winning the race to the bank (or to the private jet, golf course or five-star restaurant) rather than

the battle of ideas.

Renewal should begin with earmark reform. Earmarks -- legislatively directed pork -- inevitably warp the legislative process by causing the funding of lower-priority projects before more critical needs.

Members too often add these earmarks to mega-bills at the last minute without debate and thus avoid competitive bidding, minimum standards or even disclosure of the actual recipients.

In 1998, Congress approved 1,850 earmarks for transportation projects; last year, the bill contained 6,371.

Earmark-oriented legislation *continued on page 3*



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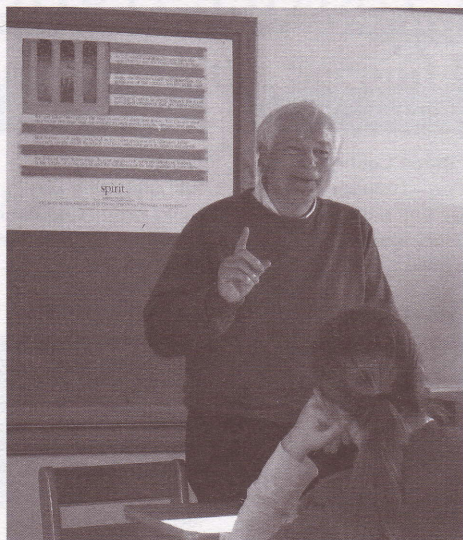
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With Cornell College students in January, Congressman Leach discussed the relevance of Confucius in Sino-American affairs.

## Leach Internet gambling legislation a Congressional priority

H.R. 4411, the “Unlawful Internet Gambling Act” would add muscle to existing laws

Americans will bet \$5.9 billion on Internet gambling sites this year, nearly half of the \$12 billion bet worldwide.

Internet gambling’s characteristics are unique: online players can gamble 24 hours a day from home; children may play without sufficient age verification; and betting with a credit card can undercut a player’s perception of the value of cash, leading to addiction, bankruptcy and crime. Young people are particularly at risk.

A dramatic example illustrating how people can go to extremes to feed their gambling habits involves the sophomore class president at Lehigh University in Pennsylvania. The boy reportedly attempted to hold up a bank to pay off his Internet gambling debts.

But Internet gambling is more than a social problem; it is a national security concern. According to the Department of Justice, it not only damages communities, it is a tool, usable by terrorists and drug traffickers, for laundering money.

For nearly a decade, I have worked to pass legislation to constrain Internet gambling. Repeatedly, I brought legislation out of Committee and been refused a House vote by a leadership influenced by a corrupt lobbyist.

The measure I have introduced, again in this Congress, would create strong tools to help federal and state governments enforce existing gambling prohibitions; it has been designed to cut the money flow from gamblers to Internet gambling sites.

Specifically, the bill would enhance criminal penalties for gambling businesses settling Internet wagers with financial instruments such as credit cards, checks, or fund transfers. It would also require payment systems to establish procedures for blocking these transactions.

Congress should act now to put an end to this destructive and illegal activity.

### *Leach prepares to introduce new PAC reform initiatives*

*continued from page 2*

increases the odds that budgets get bigger and members lose track of fiscal restraint. The federal government spends trillions of dollars and holds the power to grant, earmark, appropriate, regulate, tax and destroy. With such virtually limitless money at stake, the temptation to corrupt the process and the people involved can become irresistible.

Currently, a special committee of the House exists to set standards of conduct for Members, look into alleged violations and, when appropriate, recommend disciplinary action to the whole House. It is bipartisan, with an equal number of members of each party, and over the course of its existence, the committee has disciplined Democratic and Republican members alike, including Speakers Jim Wright and Newt Gingrich, both of whom eventually resigned. Unfortunately this

term, procedural wrangling has stifled committee action.

To break the deadlock, the Congress should modify the panel membership. Appointing a bipartisan roster of distinguished former members would help resolve this problem.

Finally, campaign reform is the unfinished business of a Congress in disrepute. Political action committees in particular represent a narrow fraction of the public viewpoint and have few ties, if any, to the state from which the Member is elected. The primary recipients of PAC contributions are generally the most powerful members of Congress. Transparency, real-time disclosure and real limits on funds are necessary to clean up Congress.

Leadership is the conjunction of good ideas and good character. One without the other misrepresents the public.